

February 25, 2010

The Japan Chamber of Commerce and Industry
The Japan Federation of Certified Public Tax Accountants' Associations
The Japanese Institute of Certified Public Accountants
The Japan Business Federation
The Accounting Standards Board of Japan

Establishment of the Council on Accounting of Unlisted Companies

We hereby announce the establishment of the “Council on Accounting of Unlisted Companies” (the “Council”) and a list of its members and observers, owing to the cooperative efforts of relevant stakeholders.

The Council was established in response to the recommendation from the IFRS Council of January 22, which suggested that a council be established as soon as possible by all relevant stakeholders to consider accounting standards of unlisted companies, taking account of the increasing globalization of Japanese accounting standards through the work efforts towards the convergence with the International Financial Reporting Standards (IFRS).

The Council is expected to deliberate on a wide range of issues relating to accounting standards applied to unlisted companies, taking into account the views such that the impact of globalization on unlisted companies should be minimized or avoided in the context of promoting globalization of Japanese accounting standards.

The first meeting of the Council is scheduled on Thursday, March 4.

It is anticipated that Prof. Hideyoshi Ando, a Professor of Commerce at Senshu University (also, the chair of the Business Accounting Council, and the Committee of Accounting Guideline for Small and Medium-sized Entities) will chair the Council. Further, the Council will set up a joint working group consists of the Japan Chamber of Commerce and Industry (JCCI), the Japan Federation of Certified Public Tax Accountants' Associations (JFCPTAA), the Japanese Institute of Certified Public Accountants (JICPA), the Japan Business Federation (JBF), and the Accounting Standards Board of Japan (ASBJ), primarily based on the membership of the aforementioned Committee of Accounting Guideline for Small and Medium-sized Entities.

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List of members and observers
- The Council on Accounting of Unlisted Companies -

Chair¹

Hideyoshi Ando, *Professor of Commerce*, Senshu University

Vice-chair

Noriaki Shimazaki, *Special Advisor*, Sumitomo Corporation

Members

Tsutomu Miyagi, *Managing Director*, the Japan Chamber of Commerce and Industry

Norio Terada, *Executive Director*, Central Federation of Societies of Commerce and industry, Japan

Naoto Ohmi, *Assistant General Secretary*, the Japanese Trade Union Confederation

Toshihiro Ikeda, *Chairman*, the Japan Federation of Certified Public Tax Accountants' Associations

Sadaijin Uenishi, *Extraordinary member, Research department*, the Japan Federation of Certified Public Tax Accountants' Associations

Koichi Masuda, *Chairman and President*, the Japanese Institute of Certified Public Accountants

Mitsuru Komiyama, *Executive Board Member*, the Japanese Institute of Certified Public Accountants

Masakazu Kubota, *Senior Managing Director*, the Japan Business Federation

Yukihiro Sato, *Senior Corporate Advisor*, Mitsubishi Electric Corporation

Hideki Kanda, *Professor of Law*, University of Tokyo

Yoshinobu Shinagawa, *Professor*, Waseda Graduate School of Accountancy

Kazuo Hiramatsu, *Professor of Accounting*, Kwansei Gakuin University

Ikuo Nishikawa, *Chairman*, the Accounting Standards Board of Japan

Takehiro Arai, *Full-time board member*, the Accounting Standards Board of Japan

Observers

Yoshimitsu Kawai, *Counsellor, Civil Affairs Bureau*, the Ministry of Justice

Hidenori Mitsui, *Director for Corporate Accounting and Disclosure Division*, the Financial Services Agency

Nobuyuki Hiratsuka, *Director for Corporate Systems, Economic and Industrial Policy Bureau*, the Ministry of Economy, Trade, and Industry

Koichi Hamano, *Director for Corporate Finance and Tax Affairs Division*, the Small and Medium Enterprise Agency

Hiroyuki Matsuzaki, *Director for Listing Department*, Tokyo Stock Exchange, Inc.

¹ *Chair and Vice-chair will be formally elected at the first meeting of the Council.*